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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Jinhui Holdings Company Limited**, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**JINHUI HOLDINGS COMPANY LIMITED**

**金輝集團有限公司**

*(Incorporated in Hong Kong with limited liability)*

Stock Code: 137

**MAJOR TRANSACTION**  
**DISPOSAL OF TWO VESSELS**

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7 May 2008

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## DEFINITIONS

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*In this circular, the following expressions have the following meanings unless the context indicates otherwise:*

|                       |  |
|-----------------------|--|
| “associates”          | has the same meaning ascribed to it under the Listing Rules;   |
| “Board”               | the board of Directors;  |
| “Capesize”            | a dry bulk vessel of deadweight approximately 150,000 metric tons or above;  |
| “Companies Ordinance” | Companies Ordinance (Chapter 32 of the Laws of Hong Kong);   |
| “Company”             | Jinhui Holdings Company Limited;   |
| “Directors”           | the directors of the Company;  |
| “Disposal”            | the disposal of the First Vessel and the Second Vessel under the First Agreement and the Second Agreement respectively;  |
| “Fairline”            | Fairline Consultants Limited, a company incorporated in the British Virgin Islands with limited liability, which is the controlling shareholder of the Company holding 339,311,280 Shares which represent approximately 65.26 per cent. of the issued share capital of the Company and voting rights in general meetings of the Company as at the Latest Practicable Date; |
| “First Agreement”     | the memorandum of agreement dated 16 April 2008 entered into between the First Vendor and the First Purchaser in respect of the disposal of the First Vessel;  |
| “First Purchaser”     | Panoria Maritime Inc., a company incorporated in Liberia;  |
| “First Vendor”        | Huafeng Shipping Inc., a wholly-owned subsidiary of Jinhui Shipping;   |
| “First Vessel”        | a deadweight 53,514 metric tons bulk carrier “Jin Feng” registered in Hong Kong;   |
| “Group”               | the Company and its subsidiaries;  |
| “Handymax”            | a dry cargo vessel of deadweight approximately 45,000 metric tons;   |

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## DEFINITIONS

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|---------------------------|---|
| “Hong Kong”               | the Hong Kong Special Administrative Region of the People’s Republic of China;  |
| “Jinhui Shipping”         | Jinhui Shipping and Transportation Limited, a company incorporated in Bermuda and an approximately 54.77 per cent. owned subsidiary of the Company as at the Latest Practicable Date, whose shares are listed on the Oslo Stock Exchange, Norway; |
| “Jinhui Shipping Shares”  | ordinary shares of US\$0.05 each in the share capital of Jinhui Shipping;   |
| “Latest Practicable Date” | 2 May 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular;   |
| “Listing Rules”           | the Rules Governing the Listing of Securities on the Stock Exchange;  |
| “Panamax(es)”             | vessel(s) of deadweight approximately 70,000 metric tons, designed to be just small enough to transit the Panama Canal;   |
| “Second Agreement”        | the memorandum of agreement dated 16 April 2008 entered into between the Second Vendor and the Second Purchaser in respect of the disposal of the Second Vessel;  |
| “Second Purchaser”        | Panoceanis Maritime Inc., a company incorporated in Liberia;  |
| “Second Vendor”           | Jinying Marine Inc., a wholly-owned subsidiary of Jinhui Shipping;  |
| “Second Vessel”           | a deadweight 53,562 metric tons bulk carrier “Jin Ying” registered in Hong Kong;  |
| “SFO”                     | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);  |
| “Share(s)”                | ordinary share(s) of HK\$0.10 each in the share capital of the Company;   |
| “Shareholder(s)”          | shareholder(s) of the Company;  |
| “Stock Exchange”          | The Stock Exchange of Hong Kong Limited;  |

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## DEFINITIONS

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|----------------------|--|
| “Supramax(es)”       | dry cargo vessel(s) of deadweight approximately 50,000 metric tons;  |
| “Yee Lee Technology” | Yee Lee Technology Company Limited, a company incorporated in the British Virgin Islands and a 75 per cent. owned subsidiary of the Company;                                   |
| “HK\$”               | Hong Kong Dollars, the lawful currency of Hong Kong; and   |
| “US\$”               | United States Dollars, the lawful currency of the United States of America, and for the purpose of illustration only, translated into HK\$ at the rate of US\$1.00 = HK\$7.80. |

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LETTER FROM THE BOARD

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**JINHUI HOLDINGS COMPANY LIMITED**

**金輝集團有限公司**

*(Incorporated in Hong Kong with limited liability)*

Stock Code: 137

*Directors:*

Ng Siu Fai (*Chairman*)  
Ng Kam Wah Thomas (*Managing Director*)  
Ng Ki Hung Frankie  
Ho Suk Lin  
Cui Jianhua \*  
Tsui Che Yin Frank \*  
William Yau \*

*Registered office:*

26th Floor  
Yardley Commercial Building  
1-6 Connaught Road West  
Hong Kong

\* *Independent Non-executive Director*

7 May 2008

*To the Shareholders and,  
for information only, the holders of options,*

Dear Sir or Madam,

**MAJOR TRANSACTION  
DISPOSAL OF TWO VESSELS**

**INTRODUCTION**

The Directors refer to an announcement of the Company dated 16 April 2008 in relation to the disposal of two vessels pursuant to two memoranda of agreements both dated 16 April 2008.

The purpose of this circular is to give you further information in relation to the Disposal.

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## LETTER FROM THE BOARD

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### THE DISPOSAL

#### Vendors

The First Vendor and the Second Vendor, both are ship owning companies and wholly-owned subsidiaries of Jinhui Shipping, which are in turn approximately 54.77 per cent. owned subsidiaries of the Company as at the Latest Practicable Date.

#### Purchasers

The First Purchaser and the Second Purchaser are private shipping companies incorporated in Liberia and beneficially owned by a family based in Greece. To the best of the Board's knowledge, information and belief having made all reasonable enquiry, the First Purchaser, the Second Purchaser, their ultimate beneficial owners and their respective associates are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company and do not hold share of the Company. The Group has not acquired or disposed of any other vessel with the First Purchaser and the Second Purchaser during the last twelve months from date of the First Agreement and the Second Agreement.

After the Disposal, the Group's property, plant and equipment will decrease by the net book values of the First Vessel and the Second Vessel, the current assets will increase by the balance of net sale proceeds received from the Disposal after payment of bank loans of the First Vessel and the Second Vessel, and the current liabilities and non-current liabilities will decrease by the amount of vessel mortgage loans of the First Vessel and the Second Vessel repayable in full.

#### Consideration

Under the First Agreement, the First Vendor agrees to dispose of the First Vessel for a consideration of US\$81,000,000 (approximately HK\$631,800,000) payable by the First Purchaser as follows:

- (1) an initial deposit of US\$8,100,000 (approximately HK\$63,180,000) was paid on 18 April 2008 to a bank account in the joint names of the First Vendor and the First Purchaser and will be released on the delivery of the First Vessel; and
- (2) the balance of US\$72,900,000 (approximately HK\$568,620,000) will be payable on the delivery of the First Vessel which will take place during the period from 1 May 2008 to 30 June 2008 at the First Vendor's option.

Under the Second Agreement, the Second Vendor agrees to dispose of the Second Vessel for a consideration of US\$79,000,000 (approximately HK\$616,200,000) payable by the Second Purchaser as follows:

- (1) an initial deposit of US\$7,900,000 (approximately HK\$61,620,000) was paid on 18 April 2008 to a bank account in the joint names of the Second Vendor and the Second Purchaser and will be released on the delivery of the Second Vessel; and

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## LETTER FROM THE BOARD

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- (2) the balance of US\$71,100,000 (approximately HK\$554,580,000) will be payable on the delivery of the Second Vessel which will take place during the period from 1 May 2008 to 30 June 2008 at the Second Vendor's option.

The First Agreement and the Second Agreement are not inter-conditional. The total consideration for the Disposal is US\$160,000,000 (approximately HK\$1,248,000,000). The consideration of the First Vessel and the Second Vessel were determined with reference to the prevailing market values, driven by supply and demand and based on arm's length negotiations with the First Purchaser and the Second Purchaser.

### **Vessels**

The First Vessel is a Supramax of deadweight 53,514 metric tons, built in February 2008 and registered in Hong Kong. The Second Vessel is a Supramax of deadweight 53,562 metric tons, built in November 2007 and registered in Hong Kong. Each of the First Vendor and the Second Vendor is a special purpose company for holding the First Vessel and the Second Vessel respectively.

The First Vessel has been owned by the Group since February 2008 and its purchase price was approximately HK\$624,000,000.

The Second Vessel has been owned by the Group since November 2007 and its net book value as at 31 December 2007 was approximately HK\$464,680,000. The net profit both before and after taxation and extraordinary items attributable to the Second Vendor for the financial year ended 31 December 2007 was approximately HK\$8,928,000.

### **Use of Payment Received**

The Group intends to use the net sale proceeds received pursuant to the First Agreement and the Second Agreement for the general working capital of the Group.

### **REASONS FOR THE DISPOSAL**

The Group's principal activities include international ship chartering, ship owning and trading. The Directors continuously review the prevailing market conditions of the shipping industry and monitor and adjust the Group's fleet size as appropriate. The Directors believe that the Disposal is a good opportunity to realize the book gains arising from the disposal of the First Vessel and the Second Vessel, and will enable the Group to enhance its working capital position. The Group currently owns nineteen modern grabs fitted Supramaxes including the First Vessel, the Second Vessel and one Supramax which will be disposed by the Group later in 2008 as announced by the Company on 11 April 2008, one modern Capesize and one modern Panamax. Taking into account all existing commitments to acquire and dispose of other vessels as announced by the Company previously, the Group will have additional eighteen newly built grabs fitted Supramaxes, two newly built Panamaxes and one second hand Handymax for delivery going forward, where three of which will be delivered in 2008, seven in 2009, five in 2010, three in 2011, two in 2012 and one in 2013. The Board believes that the Disposal will not have any material adverse effect on the operations of the Group.



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## LETTER FROM THE BOARD

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The terms and conditions of the First Agreement and the Second Agreement have been agreed on normal commercial terms following arm's length negotiations with reference to the prevailing market values. The Board considers such terms and conditions are fair and reasonable and in the best interests of the Company and its shareholders as a whole.

Based on the purchase price of the First Vessel and the net book value of the Second Vessel as at 31 December 2007 as described above, the Group would realize a total book gain, after estimated expenses and minority interests, of approximately HK\$84.3 million on disposal of the First Vessel and the Second Vessel. However, the actual book gain which the Group would realize upon completion of the Disposal will depend on the actual net book values of the First Vessel and the Second Vessel as at their respective dates of delivery in accordance with the Group's depreciation policy for its vessels as shown in the Company's annual report.

### **GENERAL**

Under the Listing Rules, the disposal of the First Vessel and the Second Vessel, in aggregate, constitute a major transaction for the Company and is subject to shareholders' approval in general meeting. Fairline, the controlling shareholder of the Company holding 339,311,280 Shares which represent approximately 65.26 per cent. of the issued share capital of the Company and voting rights in general meetings of the Company, and 480,000 Jinhui Shipping Shares which represent approximately 0.57 per cent. of the issued share capital of Jinhui Shipping, is not interested in the Disposal other than through its shareholding interest in the Company and Jinhui Shipping. No Shareholder is required to abstain from voting on the Disposal if the Company were to convene a general meeting for the approval of the Disposal, and the Disposal has been approved by a written shareholder's approval from Fairline.

Your attention is also drawn to the appendices to this circular.

Yours faithfully,  
By Order of the Board  
**Jinhui Holdings Company Limited**  
**Ng Siu Fai**  
*Chairman*

**(1) INDEBTEDNESS**

As at the close of business on 31 March 2008, being the latest practicable date for the purpose of this indebtedness statement, the Group had outstanding bank borrowings amounting to approximately HK\$4,365 million. The bank borrowings comprised secured term loans of approximately HK\$4,349 million and secured trust receipt and import loans of approximately HK\$16 million.

As at 31 March 2008, the Group's credit facilities were secured by certain of the Group's property, plant and equipment and investment property with an aggregate net book value of approximately HK\$5,485 million, financial assets at fair value through profit or loss with market value of approximately HK\$84 million and deposits in banks and other institutions amounting to approximately HK\$106 million. Shares of twenty two ship owning companies, being members of the Group, were pledged together with the assignment of chartering income of twenty one ship owning companies to secure credit facilities utilized by the Group. The above outstanding bank borrowings and credit facilities were all guaranteed by the Company or Jinhui Shipping.

As at 31 March 2008, the Group had contingent liabilities in respect of a guarantee granted by Jinhui Shipping in favour of Best Shipping Ltd. for the performance of the obligations of Bocimar Hong Kong Limited under an agreement dated 15 September 2006 regarding the acquisition of a vessel by Bocimar Hong Kong Limited from Best Shipping Ltd. for a consideration of approximately HK\$260 million.

As at 31 March 2008, save as aforesaid and apart from intra-group liabilities, none of the companies in the Group had any outstanding mortgages, charges, debentures, loan capital, bank overdrafts, loan or indebtedness in the nature of borrowings, debt securities or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptances or acceptance credits, or any guarantees or other material contingent liabilities.

**(2) FINANCIAL AND TRADING PROSPECTS**

The Group has continued to carry on the businesses of investment holding, ship chartering, ship owning, ship operating and trading during the current financial year, and the Directors expect that with cash, marketable equity and debt securities, and equity linked investments in hand as well as available credit facilities, the Group's financial position remains strong and the Group's steady growth will be maintained.

**(3) WORKING CAPITAL**

The Directors are of the opinion that after taking into account its internal resources, the existing available credit facilities, the indebtedness statement of the Group as set out in the section headed "(1) INDEBTEDNESS" above and the Disposal, the Group has sufficient working capital for its present requirements for the next twelve-month period from date of this circular.

**RESPONSIBILITY STATEMENT**

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

**DISCLOSURE OF INTERESTS**

- (a) As at the Latest Practicable Date, the interests and short positions of each Director and chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she is taken or deemed to have under such provisions of the SFO) or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or are required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

**Long position***(i) Directors' interests in Shares*

| Name               | No. of Shares held and capacity |                    |                                | Total       | Percentage of total issued Shares |
|--------------------|---------------------------------|--------------------|--------------------------------|-------------|-----------------------------------|
|                    | Beneficial owner                | Interest of spouse | Beneficiary of trust           |             |                                   |
| Ng Siu Fai         | 19,084,000                      | 16,717,000         | 339,311,280<br><i>(Note 1)</i> | 375,112,280 | 72.14%                            |
| Ng Kam Wah Thomas  | 5,909,000                       | –                  | 339,311,280<br><i>(Note 1)</i> | 345,220,280 | 66.39%                            |
| Ng Ki Hung Frankie | –                               | –                  | 339,311,280<br><i>(Note 1)</i> | 339,311,280 | 65.26%                            |
| Ho Suk Lin         | 1,774,000                       | –                  | –                              | 1,774,000   | 0.34%                             |
| William Yau        | 241,000                         | –                  | –                              | 241,000     | 0.04%                             |

*Note 1:* Lorimer Limited, in its capacity as trustee of the Ng Hing Po 1991 Trust, is the legal owner of the entire issued share capital of Fairline which is the legal and beneficial owner of 339,311,280 Shares (representing approximately 65.26 per cent. of the total issued Shares). The Ng Hing Po 1991 Trust is a discretionary trust, the eligible beneficiaries of which include members of the Ng family. Both Messrs. Ng Siu Fai and Ng Kam Wah Thomas are directors of Fairline.

(ii) *Directors' rights to acquire Shares under the share option scheme of the Company adopted on 18 November 2004*

| Name               | No. of options<br>outstanding<br>– Beneficial<br>owner | Exercise<br>price<br>per Share | Date of grant    | Exercise period                         | Percentage<br>of total<br>issued<br>Shares |
|--------------------|--|--------------------------------|------------------|---|--|
| Ng Siu Fai         | 31,570,000<br>(Note 2)                                 | HK\$1.60                       | 23 December 2004 | 31 March 2006 to<br>22 December 2014    | 6.08%                                      |
|                    | 3,184,000  | HK\$1.57                       | 29 June 2006     | 29 June 2006 to<br>28 June 2016         | 0.61%                                      |
| Ng Kam Wah Thomas  | 21,050,000<br>(Note 2)                                 | HK\$1.60                       | 23 December 2004 | 31 March 2006 to<br>22 December 2014    | 4.05%                                      |
|                    | 3,184,000  | HK\$1.57                       | 29 June 2006     | 29 June 2006 to<br>28 June 2016         | 0.61%                                      |
| Ng Ki Hung Frankie | 3,000,000  | HK\$1.60                       | 23 December 2004 | 23 December 2004 to<br>22 December 2009 | 0.58%                                      |
|                    | 3,184,000  | HK\$1.57                       | 29 June 2006     | 29 June 2006 to<br>28 June 2016         | 0.61%                                      |
| Ho Suk Lin         | 3,000,000  | HK\$1.60                       | 23 December 2004 | 23 December 2004 to<br>22 December 2009 | 0.58%                                      |
| Tsui Che Yin Frank | 1,000,000  | HK\$1.60                       | 23 December 2004 | 23 December 2004 to<br>22 December 2009 | 0.19%                                      |
| Cui Jianhua        | 1,000,000  | HK\$1.60                       | 23 December 2004 | 23 December 2004 to<br>22 December 2009 | 0.19%                                      |
| William Yau        | 200,000  | HK\$1.60                       | 23 December 2004 | 23 December 2004 to<br>22 December 2009 | 0.04%                                      |

*Note 2:* The grant of share options to each of Messrs. Ng Siu Fai and Ng Kam Wah Thomas had been approved by the Shareholders at the extraordinary general meeting of the Company on 27 January 2005 and are subject to certain conditions including a performance target, whereby the share options became exercisable upon the Group having recorded an audited consolidated net profit of not less than HK\$400 million for the financial year 2005, which had been achieved.

*(iii) Directors' interests in associated corporations*

| Name               | No. of<br>Jinhui Shipping Shares<br>held and capacity |                               | Total      | Percentage<br>of total<br>issued<br>Jinhui<br>Shipping<br>Shares |
|--------------------|---|-------------------------------|------------|--|
|                    | Beneficial<br>owner                                   | Beneficiary<br>of trust       |            |  |
| Ng Siu Fai         | 1,098,500   | 46,514,800<br><i>(Note 3)</i> | 47,613,300 | 56.65%   |
| Ng Kam Wah Thomas  | –   | 46,514,800<br><i>(Note 3)</i> | 46,514,800 | 55.34%   |
| Ng Ki Hung Frankie | –   | 46,514,800<br><i>(Note 3)</i> | 46,514,800 | 55.34%   |

*Note 3:* Lorimer Limited, in its capacity as trustee of the Ng Hing Po 1991 Trust, is the legal owner of the entire issued share capital of Fairline which is the controlling shareholder of the Company as disclosed hereinabove. Each of Messrs. Ng Siu Fai, Ng Kam Wah Thomas and Ng Ki Hung Frankie, the eligible beneficiaries of the Ng Hing Po 1991 Trust, is deemed to be interested in 46,034,800 Jinhui Shipping Shares held by the Company and 480,000 Jinhui Shipping Shares held by Fairline through their beneficial interests in the Company and Fairline respectively.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests in any securities and short positions of the Company or any of its associated corporations as defined in the SFO.

- (b) As at the Latest Practicable Date, none of the Directors has any existing or proposed service contracts with any member of the Group not determinable by the Company within one year without payment of compensation (other than statutory compensation).
- (c) As at the Latest Practicable Date, none of the Directors or their respective associates has any interests in any company or business which competes or may compete with the businesses of the Group.
- (d) As at the Latest Practicable Date, none of the Directors has or has had direct or indirect interest in any assets acquired or disposed of by or leased to or by or proposed to be acquired or disposed of by or leased to or by any member of the Group since the date to which the latest published audited annual financial statements of the Group were made up.
- (e) There is no contract or arrangement subsisting at the date of this circular in which any of the Directors is materially interested and which is significant in relation to the business of the Group.

## SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to any Director or chief executive of the Company, the following persons, other than a Director or chief executive of the Company, have interests or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

**Long position**

| Name of Shareholders | Capacity                                   | No. of Shares | No. of Shares<br>(Option) | Percentage<br>of total<br>issued Shares |
|----------------------|--|---------------|---------------------------|---|
| Fairline             | Beneficial owner                           | 339,311,280   | –                         | 65.26%                                  |
| Wong Yee Man Gloria  | Beneficial owner and<br>interest of spouse | 375,112,280*  | –                         | 72.14%                                  |
|                      | Interest of spouse                         | –             | 34,754,000**              | 6.69%                                   |

| Name of shareholder      | Capacity         | No. of shares in<br>Yee Lee Technology | Percentage of<br>total issued shares in<br>Yee Lee Technology |
|--------------------------|------------------|--|---|
| Asiawide Profits Limited | Beneficial owner | 1,000,000                              | 25.00%  |

\* *The interest in Shares includes 16,717,000 Shares in which Ms. Wong Yee Man Gloria is interested as a beneficial owner and 358,395,280 Shares in which she is deemed to be interested through the interest of her spouse, Mr. Ng Siu Fai (as disclosed hereinabove).*

\*\* *Ms. Wong Yee Man Gloria is deemed to be interested in the options to subscribe for 34,754,000 Shares held by her spouse, Mr. Ng Siu Fai (as disclosed hereinabove).*

## LITIGATIONS

As at the Latest Practicable Date, the Group was engaged in the following legal proceedings, each of which is or may be of material importance to the Group:

- (a) Galsworthy Limited, a wholly-owned subsidiary of Jinhui Shipping, is claiming around US\$2,300,000 and costs against a charterer of a vessel for the failure to redeliver the vessel by the charterer as per redelivery notice and dispute in respect of the off-hire period. An arbitrator was appointed and the arbitration proceedings in London are underway.

- (b) A charterer is claiming around US\$4,000,000 against Wokefield Enterprises Limited, a wholly-owned subsidiary of Jinhui Shipping, for the loss and damage as a result of a stowage dispute between the owner and sub-charterer of the vessel. An arbitrator was appointed and the arbitration proceedings in London are underway.

Save as disclosed herein, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and there was no litigation or claim of material importance known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries as at the Latest Practicable Date.

### MATERIAL CONTRACTS

The following contracts have been entered into by members of the Group (marked with an “\*” below) within two years preceding the date of this circular and each of which is or may be material:

- (1) an agreement dated 9 May 2006 entered into between Jinbi Shipping Ltd.\* and Five Stars Bulkcarriers Private Ltd. regarding the disposal of a vessel at a consideration of US\$6,500,000;
- (2) an agreement dated 9 June 2006 entered into between Jinshun Shipping Inc.\* and Sumitomo Corporation regarding the acquisition of a vessel at a consideration of JPY3,430,000,000;
- (3) an agreement dated 14 July 2006 entered into between Jinsheng Marine Inc.\* and Master Aim S.A. regarding the acquisition of a vessel at a consideration of US\$40,250,000;
- (4) an agreement dated 2 August 2006 entered into between Goldbeam Shipping Inc.\* and Ratu Shipping Co., S.A. regarding the acquisition of a vessel at a consideration of US\$26,000,000;
- (5) an agreement dated 7 August 2006 entered into between Jinrong Marine Inc.\* and Nordhval Pte. Ltd. regarding the acquisition of a vessel at a consideration of US\$32,650,000;
- (6) an agreement dated 25 August 2006 entered into between Jinyao Marine Inc.\* and Alicantia Marine Inc. regarding the acquisition of a vessel at a consideration of US\$40,000,000;
- (7) an agreement dated 15 September 2006 entered into between Jinheng Marine Inc.\* and Super Shipping Ltd. regarding the acquisition of a vessel at a consideration of US\$33,300,000;
- (8) an agreement dated 15 September 2006 entered into between Bocimar Hong Kong Limited, as purchaser, Best Shipping Ltd., as vendor, and Jinhui Shipping\*, as guarantor of the purchaser, in respect of the acquisition of a vessel by Bocimar Hong Kong Limited from Best Shipping Ltd. for a consideration of US\$33,300,000;

- (9) a counter guarantee dated 15 September 2006 given by Bocimar International NV in favour of Jinhui Shipping\* in respect of the performance of the obligations of Bocimar Hong Kong Limited that are being guaranteed by Jinhui Shipping\* under the agreement stated in (8) above;
- (10) an agreement dated 12 October 2006 entered into between Jinmao Marine Inc.\* and Sumitomo Corporation regarding the acquisition of a vessel at a consideration of JPY3,480,000,000;
- (11) an agreement dated 2 November 2006 entered into between Jinyang Marine Inc.\* and Mitsubishi Corporation regarding the acquisition of a vessel at a consideration of JPY1,680,000,000 and US\$16,320,000;
- (12) an agreement dated 2 November 2006 entered into between Jinxiao Marine Inc.\* and Mitsubishi Corporation regarding the acquisition of a vessel at a consideration of JPY1,680,000,000 and US\$16,320,000;
- (13) an agreement dated 22 November 2006 entered into between Jinquan Marine Inc.\* and Cobelfret S.A. regarding the acquisition of a vessel at a consideration of US\$39,250,000;
- (14) an agreement dated 30 November 2006 entered into between Jinming Marine Inc.\* and Sumitomo Corporation regarding the acquisition of a vessel at a consideration of JPY3,430,000,000;
- (15) an agreement dated 9 January 2007 entered into between Jinhan Marine Inc.\* and Sumitomo Corporation regarding the acquisition of a vessel at a consideration of JPY3,440,000,000;
- (16) an agreement dated 9 January 2007 entered into between Jinhong Marine Inc.\* and Sumitomo Corporation regarding the acquisition of a vessel at a consideration of JPY3,440,000,000;
- (17) an agreement dated 2 March 2007 entered into between Jincheng Maritime Inc.\* and Jubilee Line S.A. regarding the acquisition of a vessel at a consideration of US\$40,500,000;
- (18) an agreement dated 7 May 2007 entered into between Jinze Marine Inc.\* and Mitsubishi Corporation regarding the acquisition of a vessel at a consideration of JPY1,910,500,000 and US\$17,500,000;
- (19) an agreement dated 7 May 2007 entered into between Jinjiang Marine Inc.\* and Mitsubishi Corporation regarding the acquisition of a vessel at a consideration of JPY1,910,500,000 and US\$17,500,000;
- (20) an agreement dated 8 May 2007 entered into between Jinkang Marine Inc.\* and Royal Maritime Limited regarding the disposal of a vessel at a consideration of US\$53,725,000;



- (21) an agreement dated 22 May 2007 entered into between Jinxiao Marine Inc.\* and Bocimar Hong Kong Limited regarding the disposal of a vessel at a consideration of JPY1,773,233,000 and US\$16,569,500;
- (22) an agreement dated 22 May 2007 entered into between Jinjiang Marine Inc.\* and Bocimar Hong Kong Limited regarding the disposal of a vessel at a consideration of JPY1,929,798,000 and US\$17,685,600;
- (23) an agreement dated 30 May 2007 entered into between Jinsui Marine Inc.\*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (24) an agreement dated 30 May 2007 entered into between Jintong Marine Inc.\*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (25) an agreement dated 30 May 2007 entered into between Jinwan Marine Inc.\*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (26) an agreement dated 30 May 2007 entered into between Jingang Marine Inc.\*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (27) an agreement dated 30 May 2007 entered into between Jinji Marine Inc.\*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (28) an agreement dated 30 May 2007 entered into between Jinjun Marine Inc.\*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (29) an agreement dated 30 May 2007 entered into between Jinao Marine Inc.\*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (30) an agreement dated 30 May 2007 entered into between Jinyue Marine Inc.\*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (31) an agreement dated 23 August 2007 entered into between Jinying Marine Inc.\* and Xing Long Maritime S.A. regarding the acquisition of a vessel at a consideration of US\$59,000,000;

- (32) an agreement dated 29 October 2007 entered into between Jinrui Marine Inc.\* and Xing Long Maritime S.A. regarding the acquisition of a vessel at a consideration of US\$67,250,000;
- (33) an agreement dated 5 November 2007 entered into between Jinxiang Marine Inc.\* and Sumitomo Corporation regarding the acquisition of a vessel at a consideration of JPY4,100,000,000;
- (34) an agreement dated 23 November 2007 entered into between Jinchao Marine Inc.\*, China Shipbuilding & Offshore International (H.K.) Co., Ltd. and Dalian Shipbuilding Industry Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$122,620,000, which was terminated by the Group on 31 January 2008;
- (35) an agreement dated 23 November 2007 entered into between Jinning Marine Inc.\*, China Shipbuilding & Offshore International (H.K.) Co., Ltd. and Dalian Shipbuilding Industry Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$122,620,000, which was terminated by the Group on 31 January 2008;
- (36) an amendment agreement dated 27 November 2007 entered into between Jinming Marine Inc.\* and Sumitomo Corporation regarding the amendment to certain terms of an agreement dated 30 November 2006 stated in (14) above, inter alia, the consideration is changed from JPY3,430,000,000 to JPY3,755,000,000;
- (37) an amendment agreement dated 27 November 2007 entered into between Jinhan Marine Inc.\* and Sumitomo Corporation regarding the amendment to certain terms of an agreement dated 9 January 2007 stated in (15) above, inter alia, the consideration is changed from JPY3,440,000,000 to JPY3,765,000,000;
- (38) an amendment agreement dated 27 November 2007 entered into between Jinhong Marine Inc.\* and Sumitomo Corporation regarding the amendment to certain terms of an agreement dated 9 January 2007 stated in (16) above, inter alia, the consideration is changed from JPY3,440,000,000 to JPY3,765,000,000;
- (39) an agreement dated 14 December 2007 entered into between Jinqing Marine Inc.\* and Mitsubishi Corporation regarding the acquisition of a vessel at a consideration of JPY4,500,000,000;
- (40) an agreement dated 19 December 2007 entered into between Huafeng Shipping Inc.\* and Xing Long Maritime S.A. regarding the acquisition of a vessel at a consideration of US\$80,000,000;
- (41) an agreement dated 10 March 2008 entered into between Jinchao Marine Inc.\* and Xing Long Maritime S.A. regarding the acquisition of a vessel at a consideration of JPY5,550,000,000;
- (42) an agreement dated 11 April 2008 entered into between Jinhai Marine Inc.\* and Tolani Shipping Co. Ltd. regarding the disposal of a vessel at a consideration of US\$74,250,000;

- (43) an agreement dated 16 April 2008 entered into between Huafeng Shipping Inc.\* and Panoria Maritime Inc. regarding the disposal of a vessel at a consideration of US\$81,000,000; and
- (44) an agreement dated 16 April 2008 entered into between Jinying Marine Inc.\* and Panoceanis Maritime Inc. regarding the disposal of a vessel at a consideration of US\$79,000,000.

**DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company in Hong Kong at 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong up to and including 21 May 2008:

- (a) Memorandum and Articles of Association of the Company;
- (b) the 2006 and 2007 annual reports of the Company for the two financial years ended 31 December 2006 and 2007 respectively;
- (c) the material contracts as disclosed in this circular;
- (d) the circular issued by the Company dated 31 March 2008 in relation to a discloseable transaction regarding the acquisition of a vessel;
- (e) the circular issued by the Company dated 1 April 2008 in relation to the general mandates to issue new shares and to repurchase shares, re-election of retiring directors and the notice of annual general meeting;
- (f) the circular issued by the Company dated 2 May 2008 in relation to a discloseable transaction regarding the disposal of a vessel; and
- (g) the written approval dated 16 April 2008 given by Fairline in relation to the Disposal.

**GENERAL**

- (a) The secretary and the qualified accountant of the Company is Ms. Ho Suk Lin, a fellow member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants and also an associate member of the Institute of Chartered Accountants in England and Wales.
- (b) The registered office, also the head office, of the Company is situated at 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong.
- (c) The principal share registrar and transfer office of the Company in Hong Kong is Tricor Standard Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong.
- (d) The English text of this circular shall prevail over the Chinese text.